

# Michigan Department of Agriculture

**Agriculture Development Division** 

**Annual Report 2005** 

Robert Craig, Director Agriculture Development Division Michigan Department of Agriculture PO Box 30017 Lansing, MI 48909 (517) 241-2178 www.michigan.gov/mda

# **Agriculture Development Division Annual Report 2005**

#### Contents:

- Agriculture Development Division Staff Partners with MSU and Agri-Food Industry on 2005-06 Michigan Economic Study
- 1 Four More Michigan Ethanol Plants
- 2 Michigan Biodiesel-Soybean Production Plant Feasibility Study Team Making Progress
- 3 Three New Biodiesel Plants Announced in Michigan
- 3 Michigan Turkey Producers Cooperative Adds Cooking Plant
- 3 Two New Agricultural Processing Renaissance Zones Designated by State Administrative Board
- 4 Survey Results from Agricultural Processing Renaissance Zones Businesses
- 5 Map of Michigan Agricultural Processing Renaissance Zones
- 6 Renewable Fuels Information and Education
- 7 International Marketing Program
- 8 U.S. Supreme Court Decisions Affect Michigan Agricultural Groups
- 8 Michigan Grape and Wine Industry Council
- 9 Researching and Promoting Agricultural Tourism
- 11 Commodity Check-off Boards and Commodity Group Coordination
- 11 Domestic Marketing Program

#### **Statement of Purpose**

Through innovative partnerships, the Agriculture Development Division grows Michigan's economy by creating an environment for healthy food, healthy people, and healthy agricultural products.

The Agriculture Development Division (AgD) assists the Michigan food and agriculture industry in developing new and enhanced domestic and international markets for Michigan food and agricultural products. AgD serves as a catalyst in expanding value-added agriculture initiatives and facilitating economic development on farms, food processing firms and agri-businesses to attract, expand or retain jobs and capital investment with Michigan's food and agriculture industry. It also encourages agri-energy development as well as educational efforts to foster energy efficiency and renewable energy development. These activities support job retention and creation in the agri-food sector throughout Michigan and contribute to Michigan's economy.

### Agriculture Development Division Staff Partners with MSU and Agri-Food Industry on 2005-06 Michigan Economic Study

AgD staff formed a partnership with Michigan State University (MSU) agricultural economists and the Michigan agri-food industry during the fall of 2005 to collect and analyze vital statistics as input to the Michigan economic study requested by Governor Jennifer M. Granholm and MDA Director Mitch Irwin on the current and potential impact of the Michigan agri-food industry to the state's economy.

Governor Jennifer M. Granholm said the findings confirm that Michigan's investment in agriculture, as well as alternative energy and bio-technology sectors, will be high-yield. The report was released by the MSU Product Center for Agriculture and Natural Resources in January 2006 and the results were announced by Governor Granholm. The MSU study estimated the current and potential impact of Michigan agriculture on the economy to be \$60.1 billion annually and growing. The sector also employs over 1 million Michigan residents.

The study found that over the last five years, agriculture received \$8.6 billion in public and private investment. Experts predict that over the next three to five years, the agriculture and food system will continue contributing significantly to Michigan's economic development—whether investment activity remains at current or increased levels.

#### Four More Michigan Ethanol Plants Recent Groundbreakings: Great Lakes Ethanol, U.S. Bioenergy Superior Corn Products, and The Andersons; Marysville Ethanol next year

August 25, 2005 was Great Lakes Ethanol LLC's day to celebrate with a groundbreaking for a 50 million gallon per year (MGY) plant, representing an \$85 million investment to create 62 full-time jobs in Lenawee County. Two more ground breaking ceremonies 50 MGY plants occurred September 15. They were: The Andersons in Calhoun County, a \$75 million investment to create 30 full-time jobs once operational; and U.S. Bioenergy Superior Corn Products in Barry County, a \$55 million investment to create 33 full-time jobs. Each new value-added agriculture processing plant will support hundreds of Michigan corn growers and many local agri-businesses as they have committed to using primarily Michigan corn. Each facility



will also employ up to 600 construction workers and, when operational, will have an annual economic impact of over \$110 million on the local economy. They will likely raise area corn prices by 5-15 cents per bushel and help preserve thousands of acres of Michigan farmland through a more profitable agricultural economy. Finally, a fourth ethanol plant known as Marysville Ethanol, will start construction next year with an approximate investment of \$95 million and 35 full-time jobs and the same general economic impact on their local economy as above.

Ethanol production in Michigan last year totaled only 45 million gallons from the Caro plant, whereas consumption continually increases through more 10 percent ethanol blending in gasoline. In 2003, Michigan ethanol fuel consumption was approximately 151 Million Gallons, up 90 percent from 2000. President Bush signed the 2005 Federal Energy Policy Act on August 5, 2005, which includes a 7.5 billion gallon renewable fuels standard by 2012 into law. This mandates the use of ethanol (and biodiesel) into the American fuel supply, and is expected to generate more biofuels plants and refueling stations to be built in Michigan.

## Michigan Biodiesel-Soybean Production Plant Feasibility Study Team Making Progress

In spring 2005, MDA was awarded a USDA Rural Business Enterprise Grant of \$73,000 to perform "Technical Assistance to Conduct a Feasibility Study and Rapidly Assess the Development Opportunities for a Soybean-Biodiesel Production Plant in Gratiot County, Michigan." MDA has reached an agreement with the firms REMCO LLC and DeSmet Ballestra to conduct the feasibility study and the preliminary business plan, and work is well underway. MDA is working with the Capital Area Producers Cooperative (CAP Co-op), Gratiot County/Michigan State University Extension, Gratiot County Farm Bureau, Michigan Farm Bureau, National Farmers Union, Michigan Soybean Promotion Committee, Michigan Corn Marketing Program and several individuals to explore the possibility of establishing either a soybean crushing, crude soy oil refinery and/or a crude corn oil and soybean oil esterification plant in Gratiot County. It is expected that the annual capacity of the contemplated biodiesel production facility would be 5-10 million gallons. It is also possible that if the combined soybean crushing, oil refining and biodiesel plant is not feasible in Gratiot County that other alternate



sites will be examined for only a biodiesel production plant in either Gratiot County or other Michigan locations, using refined soybean oil and other feed stocks such as recycled restaurant cooking oils and animal fat.

The MDA/USDA Feasibility Study and Preliminary Business Plan should be complete in early 2006 with several key recommendations.

#### Three New Biodiesel Plants Announced in Michigan

In April 2005, Ag Solutions, Inc. announced on the Southeast Michigan Biodiesel Bus Tour that they will build Michigan's first 2 million gallons per year (MGY) biodiesel plant in the Upper Peninsula town of Gladstone. This approximately \$2 million facility will employ 6 to 9 people and is expected to be built next year. They expect to have multiple feedstocks using refined soybean oil from Michigan's Zeeland Farm Services soy processing plant and other feed stocks such as recycled restaurant cooking oils, farm animal fats from meat processing plants and livestock rendering by-products.

In September 2005, Michigan Biodiesel LLC and CAP Co-op announced at their "Biodiesel Day" near Webberville, that they will build Michigan's second biodiesel plant of at 5-10 MGY with a preferred location of Bangor. This approximate \$5 to\$10 million facility will employ approximately 15 to 20 people and is expected to be built by the end of next year. They too expect to have multiple feedstocks.

In October 2005, BIODIESEL INDUSTRIES, Inc., of California, announced at the NextEnergy, Inc. Grand Opening Dedication in Detroit that they will build Michigan's third biodiesel plant of approximately 3 MGY in Detroit's Tech Town. This approximate \$3 to \$4 million facility will employ about 10 people and is expected to be built by the end of next year. They expect to have multiple feedstocks, possibly using refined soybean oil from Michigan's Thumb Oilseed Producers Cooperative soy processing plant in Ubly and other feedstocks such as recycled restaurant cooking oils. In addition, a new value-added chain partnership was announced to plant energy crops on various Michigan brownfield sites with the refined and processed oil to be made into biodiesel fuel.

#### Michigan Turkey Producers Cooperative Adds Cooking Plant

Michigan Turkey Producers Cooperative has taken the next step in turkey processing by establishing a new cook plant. The purchase of a former Van Eerden distribution facility at 1100 Hall Street, Wyoming, will soon be filled with further processing equipment. The facility, including the new equipment, will represent a \$20 million investment by the company. The new cook facility is expected to add 62 jobs initially and employment could expand to 111 jobs over time. The City of Wyoming has provided tax abatements and both MEDC and MDA provided a total of \$750,000 of value-added agriculture grants during 2002 and 2003. In 2003-4, USDA Rural Development provided a \$55,000 grant to look at turkey meat as a menu item for the fast food industry. The decision to move into cooking is a direct result of the findings of that study.

### Two New Agricultural Processing Renaissance Zones Designated by State Administrative Board

MDA and the Michigan Economic Development Corporation cooperated with local officials in encouraging and facilitating the approval of expansions of two existing Michigan businesses. They discussed the opportunity and business plan, and provided market information from each company to the Michigan Strategic Fund Board, which in turn recommended them to the State Administrative Board that approved the newly designated Agricultural Processing Renaissance Zones (APRZ). They are:

• Chase Farms of Oceana County: Processes frozen fruit and vegetables. It is anticipated that Chase Farms will invest \$21 million and create 55 new jobs over the life of the zone. This 10-year APRZ was designated in September and will begin January 1, 2006.

• Leprino Foods Company (LFC) of Ottawa County: Liquid milk is processed by Leprino Foods Company into mozzarella cheese for pizza makers. The Allendale plant is currently 175,000 square feet in size and employs 220 employees, with milk being supplied by Michigan Milk Producers Association. The 80,000-square-foot expansion will be an \$85 million investment and provide 53 new jobs, with milk being supplied by Dairy Farmers of America, coming primarily from Michigan dairy farms. The 10-year APRZ designation should encourage LFC to expand their Allendale plant, even though it is also considering expansion in either California or Kansas.

### **Survey Results from Agricultural Processing Renaissance Zones Businesses**

Prior to 2005, 10 primary areas in Michigan were designated as Agricultural Processing Renaissance Zones (APRZs). During 2005, several more APRZs were designated with only three undesignated going into 2006. Those three are all in the process of being awarded by local and state governments, with no more APRZs available unless the state Legislature and Governor authorize additional ones. A map on page five depicts all companies designated as of the end of 2005, their location and commitment for jobs and private investment during the term of the APRZ.

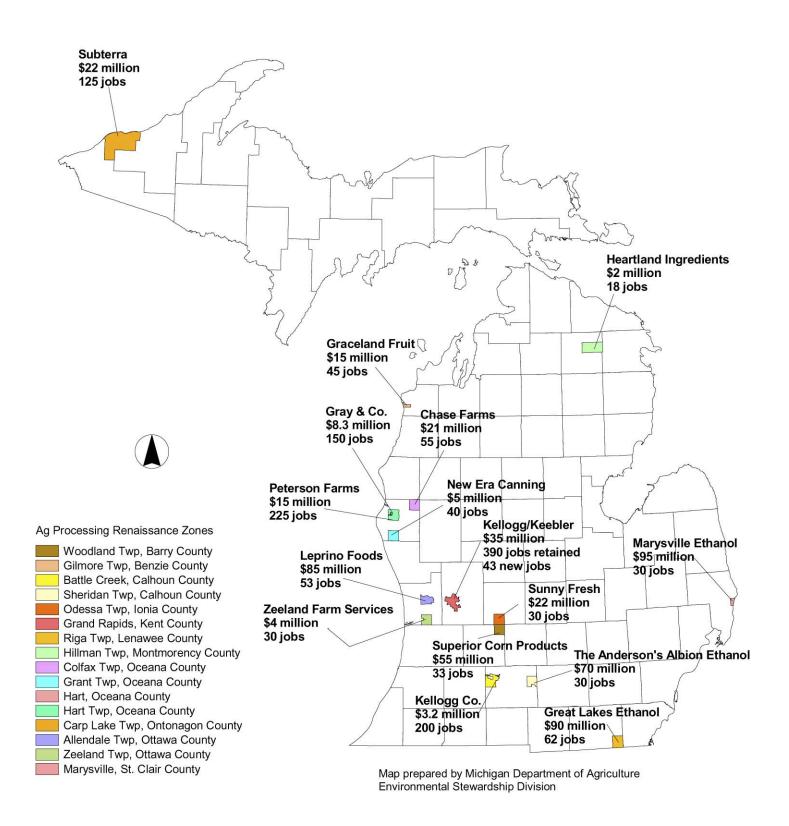
To gather company data and monitor the effects that businesses have had in various Agricultural Processing Renaissance Zones in Michigan, MDA and MEDC staff conducted an interim survey of APRZ businesses that have been in the program prior to 2005. The information collected will help determine the overall effectiveness of the APRZ program. It will also help address the competitiveness of Michigan based food and agricultural processors.

Of the ten companies approached during the survey, all but one responded by the end of February 2006. Efforts will continue to obtain information from the remaining company. Also, some public attention has been focused on Gray & Company in Hart since they sold their profitable cordial cherry candy brand, Queen Anne, in early 2006 to a Chicago-based company. The following results are composite answers for all companies through 2005, but don't include 2006 activities.

- 1. Please indicate the impact of this APRZ thus far to your business, local economy and Michigan overall, by answering the following questions. (Use a separate page if necessary.)
  - A) How many new jobs were created by your company thus far in Michigan and/or existing jobs retained that can be attributed to this APRZ designation? Total for all APRZ companies reporting: New jobs = 825 and Jobs retained = 2,750.
  - B) How much new capital investment has been made by your company in Michigan and in this APRZ? \$103.35 million total for all companies reporting.
  - C) How much does your company buy annually from Michigan agricultural producers and other Michigan suppliers for your business in the APRZ? \$286.2 million total for all APRZ companies reporting.

### Michigan Agricultural Processing Renaissance Zones January 2006

Company Commitment for Jobs and Private Investment According to MI Economic Development Corporation



#### Renewable Fuels Information and Education

#### **Governors' Ethanol Coalition September Meeting in Minnesota**

Michigan State Representatives Neal Nitz (R-Baroda) and Kathleen Law (D-Gibraltar) from the Michigan House Agriculture Committee participated in the educational meeting of the Governors' Ethanol Coalition (GEC). Michigan Governor Granholm is a member of the GEC and was represented by MDA staff. Representatives from the Corn Marketing Committee of Michigan were also present at this meeting and participated in a tour of a farmer-owned ethanol plant and a biodiesel plant on September 27. Minnesota Governor Tim Pawlenty addressed the GEC on Monday, September 26, as part of the organization's two-day national meeting at the Radisson Riverfront Hotel in St. Paul. He provided an update on Minnesota's new E-20 renewable fuels initiative, shared his vision for the future of renewable energy across the nation, and challenged other states to increase their use of ethanol fuels by passing E-10 mandates to help solve our nation's energy crisis and revitalize our American rural economies. They also met with national renewable fuels experts on key provisions of the new federal energy bill and learned about challenges and opportunities with installing more E-85 refueling infrastructure and promoting flexible fuel vehicles. They also learned about various states tax incentives that have spurred growth in both ethanol and biodiesel transportation fuels. Travel expenses for the two state representatives were generously covered by the Corn Marketing Committee of Michigan, and educational expenses and meeting registration costs were provided by MDA and the Governors' Ethanol Coalition.

#### **Southeast Michigan Biodiesel Bus Trip**

MDA co-hosted a Southeast Michigan Biodiesel Bus Tour on April 11, 2005, with a full bus of more than 65 people. Participants learned how biodiesel fuel is produced, and about plans for the construction of biodiesel facilities in Detroit and the U.P. The group also met with Daimler/Chrysler officials and learned that they are factory-filling their Jeep Liberty CRD with biodiesel B5 fuel. The tour included participation in the opening of a 20-percent biodiesel fuel blend (B20) station at a

Meijer store in Ypsilanti.

The educational/informational bus trip was sponsored by the Michigan Biodiesel Alliance, including MDA, Michigan Soybean Promotion Committee, Michigan Farm Bureau, Meijer, MDLEG, U.S. Department of Energy, Ann Arbor Area Clean Cities and the National Biodiesel Board.



The tour introduced the public to key biodiesel facilities, companies and players in Southeast Michigan, including where the industry is today, where it is going, and, most importantly, why more people should use biodiesel. The tour began and ended at the Michigan Farm Bureau Center in Lansing, with stops along the way. Tour stops and presentations included:

 MDA Geagley Motor Fuels Quality Laboratory in East Lansing and their testing of motor vehicle fuels, (excluding diesel or biodiesel);

- Oakland University in Rochester on how biodiesel fuel is made;
- presentation by the Senior Manager, Environmental and Energy Planning of DaimlerChrysler on their support of biodiesel and outlook as well as a chance to view a Jeep Liberty CRD and Dodge Ram pickup fueled with biodiesel fuel;
- Wacker Oil Corporation staff from Manchester sharing their involvement with biodiesel;
- Meijer's B20 pump Grand Opening kickoff celebration in Ypsilanti;
- tour of the U.S. EPA's National Vehicle and Fuel Emissions Laboratory in Ann Arbor; and,
- additional speakers from Next Energy, ENDER LLC, MDEQ, MDNR, State Energy
  Office, SEMCOG, State Legislators and others about their work with biodiesel fuel while
  traveling from stop to stop onboard the B20 fueled motor coach.

#### **International Marketing Program**

- On February 7, 2005, the MDA Agriculture Development Division and the Mid-American International Agri-Trade Council (MIATCO) hosted an export training seminar in Lansing. The seminar focused on explaining international marketing, strategic planning, sales distribution channels, export sales procedures, transportation, and the various services that are available through USDA, MDA and MIATCO. Over 30 people attended the seminar with 17 Michigan producers and food marketing companies participating, as well as many service providers from throughout Michigan.
- The Michigan Pavilion at the U.S. Food Export Showcase at the Food Marketing Institute Show (FMI) had 20 booths with 16 Michigan companies and commodity groups participating, of which six were first time exhibitors in the Michigan Pavilion.
- The Midwest Buyers Mission was held in Detroit July 28, 2005. Six Michigan companies participated in the meetings with the potential to meet one-on-one with up to 11 international buyers. Companies participating in the meetings projected export sales of over \$600,000.
- ns \$400 to 505
- Three new-to-program companies enrolled in the MIATCO Branded Program requesting a total of \$59,554 for reimbursement.
- MDA staff recruited 22 Michigan companies that are new-to-program for MIATCO Generic MAP Programs
- One-on-one meetings with Canadian specialty food buyers were held in Grand Rapids, September 27, 2005. Nine Michigan companies had the opportunity to meet with the three buyers.
- A second seminar for Michigan companies was held September 27, 2005. Nine Michigan companies participated in this event. The seminar provided one-on-one counseling with MIATCO's in-market representative from Canada. The opportunity allowed companies to learn about export opportunities in Canada and how to export products to Canada.

#### U.S. Supreme Court Decisions Affect Michigan Agricultural Groups

Two U.S. Supreme Court decisions in 2005 affected Michigan agricultural groups but had no direct effect on MDA marketing and promotion programs and statutes. First, the U.S. Supreme Court handed down its decision regarding direct shipments of wine to consumers. The 5-4 decision was against the states of Michigan and New York, citing that the states' laws are discriminatory to out-of-state wineries and in favor of in-state wineries. Also, the Supreme Court ruled 6-3 that commodity advertising and promotion programs, such as the beef industry's "It's what for dinner" campaign, are government sponsored advertising and therefore not subject to First Amendment protections. This has upheld most state and national commodity check-off programs.

#### Michigan Grape and Wine Industry Council

The Michigan Grape and Wine Industry Council continues to provide an important forum for state-wide collaboration in research, promotion and professional development to meet the changing needs of this exciting growth industry. The council has established a goal to increase the size of the industry to 10,000 wine grape acres by the year 2024 (current acreage is approximately 1,600 acres)

#### **Industry Highlights**

- Two new wineries opened in Michigan (Brys Estate and Mackinaw Trail), using predominantly Michigan fruit. Two wineries ceased operations, leaving the total number at 40, up from 17 in 1995.
- Over 382 medals were awarded to Michigan wines in 14 competitions (excluding the Michigan Wine and Spirits Competition).
- The U.S. Supreme Court ruled in May 2005 that Michigan laws on direct shipping to consumers are unconstitutional. A winery trade association, WineMichigan, led legislative action on regulatory reform to address the inequity without negative impact on the in-state industry. Governor Granholm signed legislation in December to permit direct shipments of wines from any U.S. winery to Michigan consumers. This change in Michigan law now opens up markets in other U.S. states to Michigan wineries. Midwest states are of greatest interest to Michigan wineries.

#### **Council Highlights:**

- Communications from the council to consumers and the industry has been enhanced through the use of state-of-the-art e-newsletters that provide valuable maintenance features, compliance with anti-spam legislation and valuable reports on newsletter readership.
- Winery touring was included in several out-state ads by Travel Michigan, thanks to the close working relationship with this agency. Articles on winery touring frequently appeared in Travel Michigan's consumer e-newsletter.
- The Michigan Wine and Spirits Competition received a record number of entries, 307. The Michigan Wine and Spirits Competition was held August 2 at the Kellogg Center in East Lansing. The Michigan Grape and Wine Industry Council organized the 28th annual competition. Peninsula

MICHIGAN

Stape S. Wine

INDUSTRY

COUNCIL

Cellars on Old Mission Peninsula near Traverse City captured four of the six major trophies. Eighteen Michigan wineries were awarded gold medals, indicating the breadth and depth of the growing industry. Twenty judges from California, Ohio, Indiana and Michigan evaluated 307 wines during the competition. The 300+ entries was a new record number for the Competition and the judges awarded 11 Double Gold Medals, 29 Gold Medals, 62 Silver Medals and 84 Bronze Medals. The Michigan Wine & Spirits Competition is open only to wines produced from Michigan-grown fruit. A trophy presentation



reception, attended by 250 people followed the competition on August 4.

- A new publisher, HOUR Custom Publishing, was retained to produce and sell advertising for Michigan Wine Country magazine. Eight pages were added to the magazine, increasing its length from 32 to 40 pages. Consumer and trade demand for the magazine continues to grow, with the initial printing of 170,000 exhausted by August. A reprint of 15,000 copies was ordered in September for fall distribution.
- Through its Research and Education Advisory Committee, the council began work on a report
  to MSU's College of Agriculture and Natural Resources to identify the technical needs of the
  industry in the areas of research, extension and education. Information gathering sessions
  with members of the industry in Southwest and Northwest Lower Michigan were held in July
  and August to contribute to the report that was released in January 2006.
- The Michigan Grape and Wine Industry Council released a report on December 7 at the Michigan Commission of Agriculture meeting, updating the growth trends in the Michigan wine industry and projecting significant future expansion of the industry.

#### Researching and Promoting Agricultural Tourism

#### Legislature Creates Michigan Agricultural Tourism Advisory Commission

The Michigan State Legislature and Governor Granholm signed legislation creating a Michigan Agricultural Tourism Advisory Commission in MDA with bipartisan support. Staff in the Agriculture Development Division provided assistance and guidance to the commission. Under the guiding legislation, agricultural tourism is defined as the practice of visiting an agribusiness, horticultural, or agricultural



Michigan Agricultural Tourism Advisory Commission

operation, including, but not limited to, farms, orchards, wineries, or companion animal or livestock shows, for the purpose of recreation, education, or active involvement in the operation.

Within two years, the commission is required to submit to the governor and the appropriate legislative standing committees a report concerning the effects of local zoning on agricultural tourism, a model of local zoning ordinance provisions to promote agricultural tourism, recommendations concerning the use of logo signage to promote agricultural tourism, recommendations for other measures to promote and remove barriers to agricultural tourism, and any other recommendations concerning agricultural tourism. In addition, the commission is charged with undertaking various studies necessary for the report.

#### MDA Cooperates with Michigan Apple Committee to Promote Agri-Tourism

MDA supports the efforts of the Michigan Apple Committee in boosting awareness of the state's largest fruit crop with its summer 2005 "Check In To Michigan Apples" campaign at hotels, motels and other agri-tourism establishments. The MDA Farm Market, U-Pick & Ag Tourism Directory was also promoted. These promotional efforts help retain hundreds of jobs in both the Michigan apple industry and tourism industry.

2004

MICHIGAN Farm Market, U-Pick

& Ag Tourism Directory

#### 2004-05 Michigan Farm Market, U-Pick & Ag Tourism Directory

MDA's popular publication, the *Michigan 2004-2005 Farm Market, U-Pick and Ag Tourism Directory* was developed, published and distributed. The directory provides a useful listing of many Michigan farm markets, farmers' markets, u-pick operations and other agricultural tourism entities. It is also searchable online at www.michigan.gov/mda.

Efforts to send consumers to the MDA Web site have been successful. There was a marked increase in Web traffic on the 2004-05 Farm Market, U-pick & Ag Tourism Directory page in response to press releases sent in October 2004 and May 2005.

Visits to the U-Pick Directory web page:

		,	70.78
	<u>2004*</u>	<u>2005</u>	
January		134	
February		129	
March		90	
April		214	COMPLETE BY THE MANAGEMENT
May		582	COMPLEED BY THE WICHIGAN
June	322	1,254	Press release sent May 20, 2005
July	366	1,154	•
August	255	1,293	
September	311		
October	1,327		Press release sent October 8, 2004 –
November	194		Governor's Proclamation of Farm Market Month
December	112		

Finally, a PDF version of the directory has also been available online since January 2005. Visitors who viewed and/or downloaded the entire book from the MDA Web site:

January 2005	63
February	98
March	107
April	134
May	213
June	341
July	290
August	262

<sup>\*</sup>No statistics available before June 2004

#### Commodity Check-off Boards and Commodity Group Coordination

Representing the MDA Director, division staff attended over 95 percent of regular, special and annual meetings for Michigan's 15 legislatively established commodity groups, and worked with the Assistant Attorney General on statutory issues and unpaid or unremitted assessment funds. Through producer-run committees, nearly \$14 million in producer dollars was spent on various promotion, research and marketing activities for their respective commodities.

Division staff also chaired several meetings with commodity executives and the MDA director.

#### **Domestic Marketing Program**

The Select Michigan program was funded from 2003 through 2005 by a cooperative partnership among USDA (Rural Business Enterprise Grants), commodity organizations, Michigan Integrated Food and Farming Systems, individual food businesses, retailers and the MDA. The purposes of the program are to:

- Increase marketing opportunities for Michigan locally grown food products
- Increase awareness and purchases of Michigan locally grown food products

Sales data from the 2003 pilot program in Grand Rapids demonstrate that Select Michigan promotions increased sales of featured products by an average of 111 percent. In 2004, the promotion was expanded to include the Detroit market in addition to Grand Rapids. Asparagus, blueberries, peaches, carrots, onions, apples, organic foods, potatoes, seasonal vegetables, wine, apple juice, canned apples, whitefish, sugar and chestnuts were featured in scheduled promotions during the year. The Select Michigan campaign used eye-catching point-of-sale materials, including stickers, posters, banners and display cards. In-store tastings and demonstrations, radio promotion and magazine editorial also supported the program objectives.

annies de la constant de la constant

In 2005, the Select Michigan campaign ran retail promotions in 210 supermarkets, featuring fresh and processed items in the following product categories: soy, peaches, asparagus, blueberry, carrots, apples, potatoes and sugar.



An outside consultant conducted an evaluation of the program. Over 20 interviews were held with retailers, campaign sponsors, campaign staff, consultants, farmers and food-related organizations. All of those interviewed believe that the Select Michigan program is an important step toward greater viability of Michigan agriculture, and should continue.

The peach and asparagus industries credit Select Michigan as a fundamental ingredient to their success in the fresh market, resulting in more land staying in agriculture, a new crop of young farmers getting involved, new jobs and investments at existing farms and related businesses, and at least three new packing facilities devoted to fresh asparagus markets.

In just three years, with Select Michigan promotions a key element, Michigan asparagus growers increased fresh market sales from about 5 percent in 2002 to 25 percent of their crop in 2005. For peaches, the price paid to growers in Select Michigan has steadily increased by 44 percent over the last three years.

Spearheaded by the Michigan Department of Agriculture and operated in concert with local, state, federal, and private partners, Select Michigan builds upon the state's product marketing efforts and supports our farmers and agribusinesses by encouraging retailers and consumers to purchase Michigan-grown and processed foods. It also encourages eating Michigan fruits and vegetables to help your physical health and supports Michigan's fiscal health as well. Buying local Michigan foods not only supplies



our families with safe, high quality, and wholesome foods, but also is an economical way to help ensure the future of Michigan's family farms and an easy way keep our food dollars close to home.

In these challenging budget times, Michigan has secured federal grants and creatively partnered with committed Michigan agriculture organizations, environmental groups, retailers, local units of government, and the private sector to fund this exciting 2005 effort for Detroit and Grand Rapids area consumers. Several major Michigan food retailers – Spartan Stores, Meijer, Kroger, Farmer Jack, and Super K-Mart -- supported the program and have incorporated the Select Michigan message into their marketing materials. Growers, farm markets, restaurants and other businesses that grow, process or promote Michigan food products are also using the Select Michigan logos.



